Manitoba
November 2005

OFFICE OF THE
AUDITOR GENERAL

A Quality Assurance Guide for Policy Development

As a leader in promoting enhanced accountability of government to the citizens of Manitoba, the Office of the Auditor General will contribute to greater public trust and confidence in the institutions of government.

Vision

As a leader in promoting enhanced accountability of government to the citizens of Manitoba, the Office of the Auditor General will contribute to greater public trust and confidence in the institutions of government.

Mission

To contribute to effective governance by the Manitoba Legislature, we provide the Members of the Legislative Assembly with independent assurance and advice on:

government accountability information;
compliance with legislative authorities; and
the operational performance of government.

Values

IN INTERPERSONAL RELATIONSHIPS

Respect ***Honesty***
Integrity ***Openness***

IN ACHIEVING OUR VISION AND MISSION

Teamwork
Independence
Balanced Perspectives
Professional Excellence

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Introduction

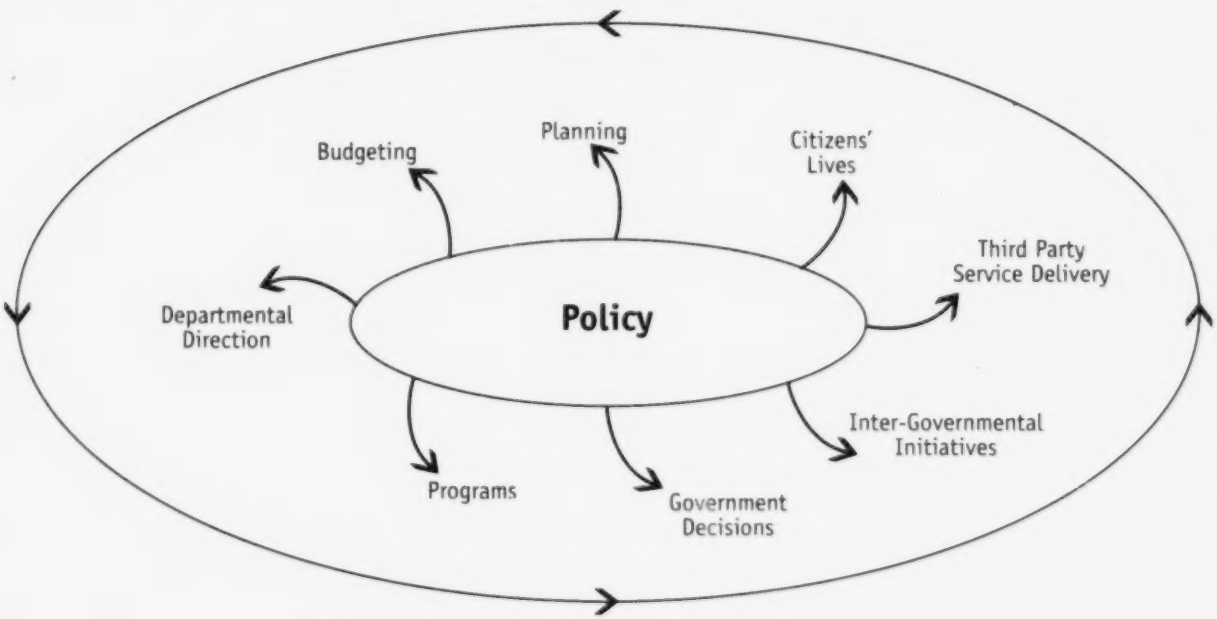
This report is the third in a series of reports on policy development prepared by the Office of the Auditor General. The first report issued in November 2001 was *A Review of the Policy Development Capacity within Government Departments*. That report presented a model of effective policy development and assessed the capacity of government departments to develop public policy against the model. Building on that report, the Office of the Auditor General prepared *A Guide to Policy Development* which was issued in January 2003. The *Guide* is intended to provide a resource tool to assist policy practitioners in implementing the attributes of the model of effective policy development presented in the November 2001 report. To provide further opportunities for achieving excellence in the development of policy advice, we have prepared this document to introduce departments to the concept of quality assurance and its application in the area of policy development. Our intention is to encourage departments to adopt a quality assurance framework for their policy services and products.

A key role of the civil service is to provide the best quality policy services and products. The pursuit of excellence in the delivery of policy services and products does not guarantee that the policy advice put forward by the civil service is the one that decision-makers choose to implement. This is because policy development is a process of bringing together and balancing various considerations such as: political ideology and preferences, the influence of stakeholders, special interest groups, financial limitations, legislation and/or existing contractual agreements, analysis, evaluation, and so forth. Nevertheless, having quality assurance for policy development is recommended by the Auditor General for without it, there is an increased risk of having poor quality policy services and products. Providing robust advice to enable government to make informed decisions on public policy issues is one of the most important responsibilities of the civil service (**Figure 1**).

While the implementation of quality assurance can promote improved practices in the delivery of policy services and products, the role of acumen in the policy process needs to be recognized. For policy development is not all "craft". The "art" of policy development requires the civil service to bring a talent for exercising good judgment, having a sense of appropriate timing, effective listening skills, knowing when to seek clarifications in the process, being confident to speak truth to power and not being fearful to ask questions as the policy process unfolds.

FIGURE 1

A Policy's Sphere of Influence



Our audit work shows that there is room to strengthen the quality of policy services and products within the government reporting entity. Thus our office encourages the civil service to continually strive for excellence in the delivery of policy services and products. Endorsement and support from Cabinet Ministers and central government for the adoption of quality assurance frameworks by departments would champion the on-going process of enhancing quality of policy services and products.

AUDIENCE FOR THIS DOCUMENT

This report is aimed at departmental executives and management who are directly involved in their department's policy development activities as well as policy/program analysts. It is also aimed at central government given their role at establishing policies and directives that guide how departments operate.

The document also has application for crown corporations, government agencies and other organizations that form part of the government reporting entity. As well, the voluntary sector (non-profit organizations) can utilize the quality assurance framework in their policy development work.

SCOPE OF APPLICATION

Quality assurance can be applied in regard to all policy types and all operating contexts. By this we mean that quality assurance can be applied to the preparation of broad policies or very issue-specific policy responses. Likewise, quality assurance has application whether policy is being developed over several months with sufficient time and resources or is being delivered under very narrow timeframes with limited information available. This report will deal with the matter of how to operationalize quality assurance under different circumstances within which departments find themselves developing policy.

HOW THE QUALITY ASSURANCE FRAMEWORK WAS DEVELOPED

The concepts expressed here are based on the literature on quality and quality standards, as well as quality assurance, particularly in the field of audit work. We have taken these concepts and adapted them to the field of policy development. As part of our process of formulating a quality assurance framework for policy development we invited members of the Policy Development Network to participate in a day-long session on quality assurance for policy development. The Policy Development Network launched under Service Quality Partners in the spring of 2004 is a voluntary group of Manitoba government employees who are active in

public policy development and who organize events to build policy development capacity. Service Quality Partners is a volunteer network of Manitoba government employees whose aim is to improve learning and educational opportunities. This voluntary organization is under the auspices of the Civil Service Commission.

The Office of the Auditor General held two separate sessions with those from the Policy Development Network who signed-up for the quality assurance event. One session was held in January 2005 and the other in February 2005 with a total of 69 participants. The purpose of these sessions was to enable us to "test" the components of our proposed quality assurance framework for policy development. The ideas and questions expressed by participants in response to our draft framework have helped us to refine the product.

THE AUDITOR GENERAL OF MANITOBA'S INTENTIONS REGARDING QUALITY ASSURANCE FOR POLICY DEVELOPMENT

This document is intended to demonstrate that quality assurance can be applied in the context of policy development. As such, it is the Auditor General's hope that central government and departments will:

- use the concepts presented in this report to fashion guidelines on quality that will guide their delivery of policy services and products; and
- implement procedures to ensure that the guidelines on quality that they have adopted are being followed, and corrective action is taken as necessary.

The quality assurance framework presented in this document will also be used in our audit work in instances where we find that the policy development process including quality controls is implicated in certain findings. In such cases we will use material presented here as a yardstick or criteria by which to determine whether the entity in question has adopted a quality assurance framework that is appropriate for its context. We would not necessarily expect an organization to have adopted wholesale the material presented here. However, where it has not, we would expect to find an alternative that has a logical fit with the organization's policy development circumstances.

QUALITY ASSURANCE IN THE OFFICE OF THE AUDITOR GENERAL OF MANITOBA

The Canadian Institute of Chartered Accountants has standards that guide auditors in conducting their work. Within that framework, the Office of the Auditor General of Manitoba has developed quality assurance policies and procedures to ensure compliance with those standards with the view to producing high quality audit work. The quality assurance procedures and processes in place cover the complete cycle of audit work from inception to completion. These procedures and processes also include post audit reviews by peers. In the case of financial statement attest audits, reviews are conducted by the Institute of Chartered Accountants of Manitoba (ICAM).

The range of our assurance procedure includes:

- executive review prior to commencement of an audit to ensure that the scope of a proposed audit will focus on significant issues and that the methodology of the audit reflects current Canadian and international standards for issuance of reports;
- prior to issuance, an executive review of audit findings, conclusions and recommendations to ensure that significant issues are handled appropriately, the audit report is appropriate or the financial statements are fairly presented and the audit opinion is appropriate; and
- a review of audit files to ensure that the audit work that was performed complies with professional standards and office policies.

In terms of peer review, in 2003/04 the Ontario Provincial Auditor's Office reviewed one of our value-for-money audit files. During 2004/05 we conducted a peer review for the Saskatchewan Office of the Provincial Auditor.

Additionally, the ICAM routinely conducts inspections of audit firms involved in the practice of public accounting. In 2002 the ICAM conducted an inspection of our Office. The next inspection will take place in approximately four years from that date.

Other initiatives we are involved in to support quality assurance include: membership in the Canadian Council of Legislative Auditors' Quality Assurance Committee; and participation with the legislative audit offices of British Columbia, Alberta and Saskatchewan to review audit methodologies with the long-term objective of developing consistent audit methodologies among the western legislative audit offices.

1.0 Definitions

Policy
In this document, policy refers to those plans, positions and guidelines of government which embody or reflect government direction and influence decisions by government (e.g., policies in support of sustainable economic development or policies to enhance access to government services by persons with disabilities).

Policy Development
The activity of developing policy generally involves research, analysis, consultation, evaluation of options against a set of criteria used to assess each option, and synthesis of information to produce recommendations in relation to a given problem/issue.

Policy Product
The vehicles through which policy issues, advice, and recommendations are communicated. These include: oral advice, oral presentations/briefings, Cabinet submission, Treasury Board submissions, briefing notes, discussion papers, plans, speeches, etc. Different policy products may be generated at different phases or stages of the policy process and for different audiences (e.g., to communicate with the Minister, to communicate with persons to be consulted, and to communicate with the public on government policy).

Policy Services
All the activities associated with the policy development process including: research, analysis, consultation, evaluation of options, formulating recommendations, monitoring, and performance measurement.

Types Of Policy
There are various types of policy including:

- broad policy (e.g., enhanced quality of life for Manitobans);
- sectoral policy (e.g., health, the environment, the economy);
- issue-specific policy (e.g., child welfare); and
- operational policy (e.g., program principles and criteria to follow in reviewing grant applications).

Policy Instruments
Government policies are reflected in a variety of forms including: legislation, regulations, plans, programs (including funding programs), taxation, and inter-governmental agreements.

Executives
Deputy Ministers and Assistant Deputy Ministers with responsibilities for policy and program development.

Management
Directors, executive directors, managers, coordinators/team leaders whose responsibilities include policy and program development.

Policy Analyst
Within the context of the Manitoba government, "planning and program analysts" are often engaged in policy work among other things. Likewise, much of what a legislative analyst does is essentially policy work. Also, program delivery staff may be involved in policy development. Thus the term policy analyst is used in this document to refer to all such staff and other positions whose duties include the activities associated with policy development described above.

Central Government
Refers to the Treasury Board Secretariat and the office of the Clerk of Executive Council (which includes the Policy Secretariat and Federal-Provincial Relations).

Guidelines on Quality
In this document, guidelines on quality for policy services and products refers to a set of expectations or specifications that are established by central government and/or departments for departments to use in delivering policy services and products. More detailed information is provided under **Section 2.0**.

Assurance Procedure
A Procedure by which to assess whether an organization has complied with the guidelines on quality that have been put in place in relation to a particular service or product that it delivers. Assurance includes communication of the results of the assessment process to give credibility to the service or product for its users. More detailed information is provided under **Section 2.0**.

Quality Assurance Framework
When the term quality assurance or quality assurance framework is used in this document it means an organization's guidelines on quality and its assurance procedures together.

Policy Users
Refers to persons internal to government who receive policy services and products as an input to decision-making. Depending on the circumstances and the stage of the policy development process, policy users can include: the Executive, Management, Central Government, individual Cabinet Ministers, Cabinet as a whole, and Treasury Board Ministers.

Policy Outcome
A significant consequence attributed to the outputs of a policy or program. Outcomes may relate to a change in behaviour, skills, knowledge, attitudes, values, conditions, status or other attributes. Outcomes may be described as immediate, intermediate or long-term, direct or indirect, intended or unintended. For example, a grant program to foster talent among Manitoba authors could have the following immediate, intermediate, and long-term outcomes:

Immediate Outcome
- increased publication of Manitoba authors;

Intermediate Outcome
- increased popularity of Manitoba authors;

Long-Term Outcome
- national and international recognition of Manitoba authors.

Model Of Effective Policy Development
In the report of the Auditor General entitled *A Review of The Policy Development Capacity Within Government Departments* (November 2001) we presented a model of an effective organizational framework, policy process and policy product. The quality assurance framework proposed here is based on the characteristics contained in our model of effective policy development. For ease of reference the model is captured here in summary form (**Figure 2**). For more details on each characteristic of the model see: *A Review of The Policy Development Capacity Within Government Departments* available on our website at www.oag.mb.ca.

FIGURE 2

Model of Effective Policy Development

Policy Process Characteristics

Issue Identification
- Defining the problem/issue.

Issue Analysis
- Undertaking quantitative research into the problem/issue to understand expected trends and influencing factors.
- Undertaking qualitative research into the problem/issue to understand expected trends and influencing factors.
- Reviewing how other jurisdictions may have addressed this type of problem/issue.

Generating Solutions
- Developing a conceptual framework of principles and assumptions that provide context for generating options.
- Being clear on desired outcomes/goals that a policy should achieve.
- Evaluating policy options according to a defined set of pros and cons/criteria.

Consultation

Seeking input at strategic points from:
- Minister's Office.
- Relevant Departments.
- Central Government.
- Client Groups.
- Service Delivery Agencies.
- Relevant External Organizations (e.g., research institutions/policy groups).

Performance Monitoring
- Measuring the performance of a policy to determine if intended results are being achieved.

Organizational Setting Characteristics

Leadership Direction and Support
- Senior management demonstrates leadership to achieve excellence in policy development.

Human Resources
- Staff possess the appropriate competencies in public policy development.

Infrastructure Support
- Policy staff have access to appropriate resources (e.g., information technology, databases, purchase of research or consultant studies).

Policy Product Characteristics

Purpose
- Explains impetus for bringing forward policy proposals.
- Explains nature and scope of problem/issue for which policy response is being sought.
- Explains desired outcomes that the selected policy should achieve.

Evidence
- Provides data/facts to substantiate and support the various arguments and recommendations put forth.

Options
- Presents a range of policy options/ solutions.
- Provides an evaluation of each policy option based on a set of criteria/pros and cons.

Logic
- Contains a logical flow in terms of the presentation of the various arguments and recommendations put forth.

Consultation
- Identifies who has been consulted in the process of developing and evaluating policy options.
- Identifies any objections/ concerns raised by those who were consulted.

Presentation
- Communicates the information clearly and concisely.

2.0 A Quality Assurance Framework

Together, guidelines on quality and assurance procedures provide a framework for strengthening and ensuring consistency in the delivery of policy services and products. This Part presents concepts of quality assurance with particular reference to their applicability in the delivery of policy services and products.

2.1 WHAT ARE GUIDELINES ON QUALITY?

Guidelines on quality speak to the expectations or specifications that should be met when delivering a product or service. As such, guidelines on quality provide a frame of reference for the manner in which a task is performed. When we refer to guidelines on quality for policy development, we are referring to a set of parameters established by central government and/or departments for departments to use in delivering policy services and products.

While guidelines on quality are not carved in stone they do need to be a set of pre-existing expectations that an organization can aim to meet in relation to its work in a given subject area. Central to the pursuit of excellence and the proper implementation of assurance procedures is the concept of guidelines on quality as pre-existing specifications that the organization has adopted for itself and agreed to adhere to follow.

Generally, guidelines on quality represent the minimum expectations of a product or service that should be met. This means that the guidelines on quality for policy development are the minimum parameters that are acceptable for delivering policy services and products.

2.2 WHAT IS AN ASSURANCE PROCEDURE?

An assurance procedure is a systematic set of clearly defined actions undertaken within an organization to provide confidence that the product or service meets the guidelines on quality that an organization considers suitable within the context of its operations. Clearly defined actions means that an organization has established specific (i.e., measurable) steps or specific methods by which to check that the guidelines on quality have been met by the organization. In that sense, the attainment of quality should be measurable. For example, a vehicle is constructed to meet certain established parameters of quality and then, through an inspection process (assurance procedure) it is determined whether the vehicle meets those parameters. The findings from an inspection also need to be communicated to those in the plant who make decisions about

releasing vehicles for sale. Communicating the results of an assessment of whether guidelines on quality have been met is an essential component of assurance because it lends credibility to the process. In the case of policy products, assurance would be given to policy users at the time that they receive a policy product.

2.3 WHAT ARE THE SOURCES OF QUALITY?

Establishing guidelines on quality can come from a variety of sources depending on the nature of the product or service for which guidelines are being developed. They can be derived from:

- definitive frameworks based on inter-jurisdictional/ international agreements or accepted science;
- membership requirements for specific markets or organizations;
- legal frameworks;
- best practices (e.g., in areas such as management processes, reporting standards);
- professional standard-setting bodies; and
- government directives and expectations.

2.4 WHO ESTABLISHES GUIDELINES ON QUALITY AND ASSURANCE PROCEDURES FOR POLICY DEVELOPMENT?

In relation to guidelines on quality and assurance procedures for policy development, these can be established in at least a couple of different ways. One approach is for central government to establish the parameters for quality assurance and within that framework each department can operationalize them to suit their context – rather like sustainable development guidelines where each department has had to develop a plan of how they will meet legislative requirements and Government's principles of sustainable development. Another approach, (in the case where central government has not issued parameters on quality assurance) is for each department to develop its own framework. In either case the content of the quality assurance framework for policy development can be based on a combination of sources including: the proposed framework in **Part 3.0** of this document; an understanding of the expectations of policy users; and the listed sources identified under **Section 2.3**.

Cabinet Ministers as policy users are the ultimate recipients of policy analysis and recommendations. See **Figure 3** for what they told us in regard to their expectations.

FIGURE 3

Perspective Of Cabinet Ministers On The Development Of Policy Options

Eighty percent of Cabinet Ministers we interviewed indicated that they expect to receive policy options with an assessment of the pros and cons of each option. The main message communicated to us by Cabinet Ministers on the subject of policy options is as follows:

Give Us Options
Professionalism in policy development includes not only putting forth policy alternatives, but also alerting a minister/cabinet to the pros and cons of the policy options even in the case of an option favoured by a minister/cabinet. It was pointed out that to do otherwise is to put government at risk of being blind-sided. Ministers also noted that just because political decisions may sometimes be counter to the administration's recommendations is no justification for staff not to explore policy options and to communicate their merits and potential limitations or risks.

Don't Tell Us What You Think We Want To Hear
Ministers noted that they do not want staff to tell them what they perceive a ministers want to hear. They pointed out that they want to know the facts before they make their final decision and that they rely on the administration to communicate any issues or pitfalls they foresee with a particular course of action even if it is favoured by a minister.

Ask, Don't Assume
Ministers told us that they want staff to ask them when in doubt about whether a minister wants options developed. Likewise, it was pointed out that sometimes the administration assumes that certain options would be rejected outright by certain governments on grounds of ideology. Here again, ministers suggested that rather than making that assumption, staff should have a discussion with the minister early on in the process in order to find out a minister's/cabinet's philosophy, direction and inclination. The point was made that asking questions and seeking clarification at the front-end can save a lot of time for those involved in the policy development process including ministers/cabinet.

Stay Current On Policy Options
Ministers expect policy analyst to be current in their field and to know about the latest thinking and approaches in a given policy field. They rely on them to bring forward cutting-edge policy responses to policy problems.

2.5 WHAT ARE THE BENEFITS OF ESTABLISHING GUIDELINES ON QUALITY?

Robust Policy Advice

Establishing a set of guidelines on quality to be followed in delivering policy services and products is a way to ensure that government receives robust policy advice which is rigorous and defensible (based on sufficient evidence).

Promoting Excellence in the Delivery of Policy Services and Products

Following a set of guidelines on quality promotes excellence in the delivery of policy services and products. Excellence in the delivery of policy services and products means demonstrating the characteristics of the model of effective policy development identified in **Figure 2**. By having guidelines on quality and assurance procedures, providers of policy services and products can more explicitly highlight when certain guidelines could not be met and the reasons. This in turn enables policy users to be fully aware of the risks or limitations of the policy advice being put forward. This point is elaborated upon under **Section 2.7**.

Consistency of Quality

If all those who are involved in policy development carry out their work to a certain standard, it contributes to consistency in quality from one assignment to the next.

2.6 WHY CONDUCT ASSURANCE PROCEDURES?

Building Confidence in Quality

Instituting assurance procedures gives those who provide policy services and products a means of building trust and credibility with users in regard to their services and products. This is done by communicating with policy users on the risks which may be associated with a given piece of policy advice.

Serving the Needs of Policy Users

Decision-making by policy users is facilitated to the extent that providers of policy services and products deliver excellent quality services and products. Frequently a policy product is turned back by policy users because the product is in some way incomplete or deficient. Since the guidelines on quality should reflect the needs of policy users. implementing assurance procedures would ensure that an organization's policy services and products are meeting the needs of policy users.

Continuous Improvement
Assurance procedures provide an opportunity to learn and improve services and products with a view to meeting the guidelines on quality and ultimately achieving excellence in the delivery of services and products.

2.7 CAN THE SAME GUIDELINES ON QUALITY AND ASSURANCE PROCEDURES APPLY IN ALL CIRCUMSTANCES?

An organization may determine that it is legitimate to have different guidelines on quality and assurance procedures for different types of policy and for different types of policy products. Alternatively, it is possible that at the outset of a particular policy development exercise, the Executive/Management communicates the guidelines on quality along with the assurance procedures that are to be followed in that instance. Ideally, however, the guidelines on quality and assurance procedures should remain constant regardless of the nature of the policy development exercise. This promotes striving for high standards of excellence and consistency. The realities of day to day demands and pressures can be accommodated within this framework as explained below.

A key feature of assurance procedures is to communicate to policy users the quality they are getting in the service or product. In the case of policy development, this can be done through a brief statement to policy users that accompanies a policy product. Such a statement would provide a useful articulation of steps which may not have been undertaken or undertaken to a limited degree due to a variety of circumstances such as: time, staffing, funds to obtain data, direction from the Minister, etc.

Another example of how a statement on assurance would be used is with respect to consultations. It may be that external consultation with stakeholders did not take place. The statement would explain the reasons for which consultation was not undertaken. It may also be that while consultation was not undertaken, the organization relied on stakeholder views obtained from a prior consultation on somewhat related issues. The statement on assurance would communicate such information regarding consultations. Likewise, the statement would indicate if evaluation of options was not undertaken and why or if it is based on data that is not current, and so forth. These examples illustrate how it is not necessary to formulate different guidelines on quality for the development of different types of policy.

3.0 Building A Quality Assurance Framework

Guidelines on quality are a way to operationalize the model of effective policy development in **Figure 2**. So for instance, in relation to the policy process characteristics of issue identification, analysis of options, and consultation, the model does not speak to the specific expectations regarding each of these elements - that is the role of guidelines on quality. Each department can develop guidelines on quality for policy development that are suitable for its policy development environment. If central government decides to adopt some general guidelines or principles on quality, departments would formulate their guidelines within the framework provided by central government. Having guidelines on quality is only one half of the process of fostering excellence in policy services and products. Instituting assurance procedures provides the check on the quality of services and products. Essentially, it provides a system of monitoring and reporting on whether the guidelines are being met and provides opportunities for on-going refinement of services and products.

3.1 GETTING STARTED – THE ROLE OF THE EXECUTIVE

Ultimate responsibility for a department's guidelines on quality lies with the Executive. A department's Executive has a major influence on organizational performance. To champion a quality-oriented culture requires the Executive to take sustained and consistent action to create an organizational framework that is conducive to generating effective policy development processes and products. One way to accomplish this is to adopt guidelines on quality of policy services and products. The Executive should be responsible for ensuring that guidelines on quality for the delivery of policy services and products that are put in place are suitable to the department's context.

It is also the role of the Executive to ensure that there are assurance procedures in place that promote an internal culture based on the recognition that quality is essential in delivering policy services and products. The Executive should ensure that the quality control procedures put in place identify whether policy services and product are delivered to a level that is consistent with the guidelines and when they are not, that the justification for deviations is communicated to policy users when they receive a policy product.

3.2 HOW TO USE THE RECOMMENDED ASSURANCE FRAMEWORK

The quality assurance framework presented in **Sections 3.3** to **3.6** are to be taken as a set of generic, broad recommended practices. Central government and/or each department would need to develop the specific elements of the recommended practice and to tailor them to their needs. So for example, under **Subsection 3.3.2** one of the recommendations on quality is that core competencies **(Subsection 3.3.2-C)** should be determined for policy development. Determination of the competencies is left to central government and/or departments. Likewise, it is expected that training requirements **(Subsection 3.3.2-F)** are identified on a periodic basis. The process by which a department operationalizes this would need to be developed by each department. Thus, the recommended practices provide a starting point for central government and departments to build their own guidelines and assurance procedures. In this way, the recommendations are not to be read as prescriptive. Rather they identify the building blocks or components that need to be included in a quality assurance framework. Central government and/or departments would need to determine the specific expectations that are to be met in relation to each component.

As central government and/or departments develop their quality assurance framework, they may wish to add to or modify the recommended practice presented here. This is part of the process of tailoring or adapting the recommendations to suit specific operating contexts. Having said that, it should be noted that the recommendations here are being put forward as the minimum areas that should be addressed in a quality assurance framework. To the extent that central government and/or departments choose to exclude certain components, they should make explicit the justification for such exclusions. Similarly, to the extent that central government and/or departments select alternative assurance procedures to the ones suggested here, they need to ensure that these approaches are capable of measuring whether the guidelines on quality are being met and ultimately that the **aims** behind the guidelines are fulfilled (**Subsections 3.3.1, 3.4.1, 3.5.1** and **3.6.1**).

3.3 THE ORGANIZATIONAL FRAMEWORK – RECOMMENDED PRACTICES

3.3.1 Aim of the Guidelines

- *To ensure professional competence and professional behaviour in the delivery of policy services and products.*
- *To create a policy development environment that enables an organization to undertake long-range, forward looking policy development.*
- *To create a policy development environment that gives an organization the capacity to respond to immediate demands for policy advice when necessary.*

3.3.2 Components of the Guidelines

Guidelines on quality should be developed for the following components and may encompass additional components as deemed necessary.

A. Strategic Framework

→ The department's strategic plan should include objectives that relate to quality in the delivery of policy services and products as well as the actions that will be undertaken to continuously strive for excellence in policy development.

B. Roles/Responsibilities

→ Clear roles, responsibilities and reporting structures should be assigned for all those who participate in the delivery of policy services and products (including assurance procedures).

C. Core Competencies

→ The organization should identify core competencies required for the delivery of policy services and products by those involved in these activities within the Executive, Management, and Policy Analyst levels.

D. Position Descriptions

→ Core competencies for the delivery of policy services and products should be included in position descriptions.

E. Resourcing

- Sufficient resources should be devoted to the development of guidelines on quality for policy services and products as well as to the implementation of assurance procedures for these activities.

- Appropriate resources should be devoted to the delivery of policy services and products (e.g., human resources with the right competencies, and access to inputs to the policy development process such as suitable technology, data, research, etc.).

F. Training

- Training requirements to enhance policy services and products should be periodically reviewed and training should be provided accordingly.

G. Succession Planning

- Future human resource requirements (both in terms of required staffing levels and mix of competencies) should be identified for policy development along with the strategies for preparing the department to meet future needs.

H. Keeping Abreast of Policy Issues

- An organization should have a process for maintaining its knowledge base on emerging policy issues that pertain to its mandate and operations. These issues should be communicated to policy users along with their policy implications and proposed action as may be necessary. To do this effectively, an organization should identify the sources it needs (e.g., contact with certain specialists/experts in the field, access to specific journals/periodicals, access to certain types of data, etc.) in order to keep abreast of policy issues and developments that could impact its own policies or programs as well take the necessary steps to obtain the required information.

3.3.3 Assurance Procedures

Assurance procedures for the guidelines pertaining to the organizational framework can include the following procedures and/or others as deemed necessary.

A. Compliance Statements

- When policy products are provided to policy users, they should be accompanied with a brief statement that indicates whether the policy work being presented was prepared within the context of established guidelines on quality for the organizational framework and any material deviations from the guideliness should be noted in the statement

(e.g., the policy product was prepared by a team with a mix of competencies suitable to the policy issue at hand; or not all the policy competencies required were represented on the team for reasons that are explained). The person responsible for preparing and signing off on such a statement would be determined under **Subsection 3.3.2-B**.

B. Staff Appraisals

→ Through annual employee performance evaluations, providing feedback to individual staff on their performance relative to the competencies on policy services and products that have been established for them in their position descriptions.

C. Periodic Review

→ Conduct periodic reviews of the guidelines on organizational quality and the department's operations under those guidelines to ensure they are conducive to achieving excellence in policy services and products. Modifications to either the guidelines and/or the means by which they are being operationalized would be implemented based on the review. The frequency of the reviews and who would be responsible for them would need to be established by the department as part of its assurance framework. See also **Subsections 3.6.2** and **3.6.3**.

3.4 POLICY PROCESS - RECOMMENDED PRACTICES

3.4.1 Aim of the Guidelines

To ensure that the policy process:

- *generates a clear statement of the policy problem/issues, objectives, options and recommendations;*
- *demonstrates evidence of suitable amounts of consultation, research and analysis to match the particular circumstance;*
- *delivers advice that is firmly rooted within a strategic context;*
- *identifies risks as well as risk mitigation strategies;*
- *focuses on how to operationalize the policy advice being proposed;*
- *develops an appropriate framework for monitoring the performance of policies that are put in place;*
- *focuses on Government/Ministerial requirements;*
- *is timely and proactive; and*
- *is focused on achieving better outcomes.*

3.4.2 Components

Guidelines on quality should be developed for the following components and may encompass additional components as deemed necessary.

A. Issue/Problem Definition and Analysis

Any policy development work should be framed within the context of a clear explanation of the problem or situation that needs to be altered or remedied. This involves defining the problem/situation in terms of its specific issues, concerns, potential ramifications or impacts that are expected to result if no action is taken by way of a policy response. It requires that a case be made that there is indeed a problem, or could in future be a problem. The dimensions of the problem need to be presented through information obtained from research (an environmental scan),

analysis, and consultations, and described in terms of quantitative and qualitative data.

B. Guiding Framework

Any policy development work should be undertaken within the framework of government's goals/policy directions and a department's mission, vision, goals, clearly defined policy objectives, underlying assumptions, and principles. All of these should guide the policy development process and policy proposals should be consistent with this framework.

C. Policy Options

Those who are involved in the policy process should be clear on the factors that they are expected to consider when assessing different options for addressing the defined policy problem/situation and meeting the desired policy outcome. The factors to consider in assessing the relative merits of different options in order to formulate recommendations should be determined at the outset of the process. Among other things, assessment of a policy option should include consideration of:

- risks and benefits of each option;
- legal authority for each option;
- implementation/delivery mechanism;
- costs associated with each option;
- the extent to which the option is expected to produce the specific, desired policy outcome;
- the impact of an option on existing policies;
- how well each option fits with Government, Ministerial and Departmental goals/objectives, priorities, and values/ operating principles; and
- how well each option fits with recommendations from stakeholders (both internal to government - i.e., other departments in the case of issues that cut-across more than one department; and external to government - i.e., special interest groups, organizations that will be impacted by a policy, and expert specialists in a given field).

D. Consultation

Those who are involved in a given policy exercise should be clear on who they are expected to consult with, the purpose of the consultations (i.e., how the information gathered will be used), how they are to conduct the

consultations, and at which stage(s) of the process consultation will take place. These parameters should be made clear at the outset of the process.

Determination of who is consulted will depend on the nature of the policy question at hand. Whether internal or external to government, persons selected for consultation should include those who:

- can confirm government's position with respect to the desired policy outcome relative to a particular policy question/issue;
- will be impacted by the policy;
- have a mandate or responsibilities in an inter-related policy area;
- are expected to implement the policy;
- are expected to bear the cost of implementing the policy;
- have expertise in the policy question at hand; and
- can help contribute to developing the performance measurement and evaluation plan for the policy.

E. Policy Performance

→ Policies should be the subject of on-going performance measurement and periodic evaluations. This involves articulating at the outset of introducing or modifying an existing policy what will constitute success in a given area (i.e., the desired outcomes), how one will know, and how that will be measured and evaluated.

→ Given that it may not be feasible to measure and evaluate everything, an organization should adopt criteria/guidelines to help it determine which types of policies and under which types of circumstances a policy should be the subject of performance measurement, and evaluation.

→ An organization should determine at the time a policy is introduced or modified the extent of performance measurement and evaluations which shall be needed of the policy. Where management determines that in a particular case performance measurement or evaluation are not necessary, the reasons for this should be communicated in writing to policy users at some point during the policy process.

→ There is a difference between measuring the performance of a policy and evaluating the performance of a policy. The former activity provides data on what is occurring at any given point in time; the latter provides explanations on why a given policy is producing a particular set of results and examines trends over time based on performance measurement data.

Through analysis, evaluations can answer the "why" of what presents. Thus performance measurement and evaluation are complementary tools and both are necessary in order to have a full picture of the performance of a policy. In fact evaluations cannot be successfully undertaken without performance data that has been collected over time in relation to the strategic aspects of a policy or program.

F. Data Quality

→ Departments should define the quality of data needed for effective policy development work including data requirements for monitoring and evaluating the performance of a policy. To this end, the executive and management should ensure clear allocation of responsibilities for data quality and an active oversight of data quality as a way to reinforce the importance of this input in the policy development process.

→ An effective data system is one that has sound procedures that enable an organization to identify significant risks to data reliability and to respond with appropriate measures to address such risks. Thus, an effective data system will:

- produce data that is accurate enough for its intended use;
- allow for comparisons over different time periods; and
- document the processes by which the data is generated.

→ Departments should ensure that data quality issues are: understood, actively monitored, effectively managed, and where necessary, disclosed in policy products. Identifying in a policy product data limitations and explaining their implications for developing and monitoring public policy serves to increase the attention that is given to data quality issues by policy users.

G. Documentation

→ A thorough policy development process is one that enables someone not involved in the process to be able to retrace the steps taken and the rationale for them. The purpose of ensuring that files on a given policy question provide information on what was explored, how it was done and why it was done is important for two reasons. Firstly, it is a way to be able to monitor whether there is rigor to the policy development process (i.e., that an effective process was followed). Thus documentation facilitates assurance procedures. Secondly, it preserves a historical record for those who in future may have to do further work on a particular policy question. Proper documentation can save those who are assigned in future to work on a particular policy question from reinventing the wheel.

→ Thus files on a given policy question should provide information that explains the context and what was considered in examining a particular policy question. For example:

- what were the underlying assumptions of the policy exercise?
- what goals/objectives drove the policy process?
- which options where explored, which were rejected, and why?
- who was consulted, how was the selection of who to consult made, and what were the results of consultation?
- what was recommended, how did original recommendations change and why? and
- if the recommendations put in place differ from the information gathered from consultations what is the rationale for this?

3.4.3 Assurance Procedures

Assurance procedures pertaining to the policy process can include the following procedures and/or others as deemed necessary.

A. Review and Sign-off

→ Institute a review procedure and designate the person(s) for reviewing and signing off on the policy process prior to communicating policy products to policy users. The person(s) tasked with reviewing and signing-off should determine if the guidelines on quality adopted by a department with respect to the policy process have in fact been followed and that any deviations from the guidelines have been identified with explanations. A synopsis of the review and sign-off should accompany a policy product when it is given to policy users. The intent of sharing a synopsis of the assurance review is to communicate with policy users on the quality of what they are receiving and any caveats.

B. File Review

→ Designate a person who will be responsible for reviewing the files that relate to a particular policy question to ensure adequate documentation of the policy process exists in the files. Adequate means that someone outside the process would be able to understand from reading the files the process that took place, the various decisions that were made along the way, the various revisions and refinements that took place in relation to the policy work that was undertaken, and so forth.

3.5 POLICY PRODUCT - RECOMMENDED PRACTICES

3.5.1 Aim of the Guidelines

To ensure that:

- *policy users receive policy products which present sufficient, relevant, accurate, and balanced information (i.e., which does not purposefully skew the facts, but rather gives a fair representation of them);*
- *policy users receive policy products that enable them to make and defend decisions with confidence; and*
- *the policy process on which policy products have been prepared is made transparent to users.*

3.5.2 Components

Guidelines on quality should be developed for the following components and may encompass additional components as deemed necessary.

A. Substance to Communicate

→ Policy products should provide sufficient facts (i.e., enough evidence to substantiate the various arguments, conclusions and recommendations put forward in relation to a given policy question) in a logical, clear and concise manner. This means that policy products need to balance succinctness with a sufficient amount of facts to build a credible case.

→ Essentially a policy product should:

- inform policy users about a policy issue/problem and the proposed solutions;
- relate the policy issue/problem and proposed solutions to government/departmental vision, goals and priorities;
- identify the expected outcomes from a given policy solution;
- explain how the proposed policy solution addresses the risks associated with a given policy problem/issue; and
- inform policy users how the proposed solution can be put into practice (i.e., legal authority, cost, delivery mechanism, timing, any existing constraints, etc).

→ Additionally, policy products need to communicate the following type of background information:

- history of the policy problem/issue;
- the criteria used to assess the policy options explored, and how each option stacked-up against the criteria;
- how internal and external consultations influenced the policy solution being proposed;
- how other jurisdictions deal with the problem/issue; and
- gaps in data that could impact on a department's understanding of a policy problem/issue, and the conclusions and recommendations being put forward.

3.5.3 Assurance Procedures

Assurance procedures pertaining to the policy product can include the following procedures and/or others as deemed necessary.

A. Review and Sign-off

→ Institute a review procedure and designate the person(s) for reviewing and signing off on policy products before they are communicated to policy users. The person(s) tasked with reviewing and signing-off should determine if there is sufficient (i.e., enough of the right type of information) relevant, accurate (i.e., based on reliable data) and balanced information as evidenced for instance by information on:

- different dimensions of the policy problem/issues;
- the benefits and risks associated with different policy solutions;
- an explanation of how internal and external consultations have or have not impacted the proposed policy response; and
- why recommendations put forth are not consistent with policy advice given by those consulted (in circumstances where this may be the case).

→ Ultimately, the question of whether policy products provide sufficient and relevant information is a matter of professional judgment. As a general rule, information is sufficient and relevant to the extent that it builds a solid case for the arguments, conclusions, and policy proposals put forward.

→ Determining accuracy requires knowing:

- what is the source of the data (e.g., from which internal or external source it is derived; whether it is based on interviews, discussions, surveys, etc.)?
- who compiled it? and
- what system is in place for ensuring the data is correct?

B. File Review

→ Designate a person who will be responsible for reviewing the files that relate to a particular policy question. The file review would involve making a determination on whether there is sufficient information in the file to substantiate the points communicated in a policy product.

3.6 CONTINUOUS IMPROVEMENT - RECOMMENDED PRACTICES

3.6.1 Aim of the Guidelines

> *To ensure that the guidelines on quality that an organization has adopted are achieving excellence in the policy services and products that are generated.*

3.6.2 Components

Guidelines on quality should be developed for the following components and may encompass additional components as deemed necessary.

A. On-Going Feedback

Policy providers should have a process for soliciting feedback from policy users in order to make modifications to future services and products on a timely basis. An organization's procedure needs to establish:

- the appropriate frequency of obtaining such feedback (e.g., every 6 months);
- who will gather the feedback and how it will be collected; and
- who will be responsible for follow-up to ensure changes are addressed as needed.

On-going feedback is to be distinguished from evaluations in two ways. First, it is intended to be undertaken at much shorter intervals as a way to identify if policy users wish to raise more immediate concerns about the policy process or policy products. Feedback gives an organization the opportunity to undertake some timely troubleshooting without having to wait for a comprehensive evaluation. Second, we suggest that feedback can be solicited through the organization directly whereas evaluations should be undertaken by an individual outside the organization (**Subsection 3.6.3-B**).

Feedback should provide a department with information on whether policy users find that the policy products they receive are timely, and facilitate decision-making. Where policy products are routinely "turned back", the feedback should be designed to provide the department with an understanding of the reasons for this.

The results from on-going feedback should be communicated with all those within an organization who are involved in policy development.

B. Comprehensive Evaluations

An organization should establish a schedule for periodic evaluations, (e.g., every 3 years) to assess how well the guidelines on quality and assurance procedures are working.

Essentially, an evaluation should include an examination of the following:

- how well the guidelines on quality are being followed;
- concerns with any of the guidelines on quality and assurance procedures;
- weaknesses in policy services and products;
- whether there is sufficient organizational support for the quality assurance framework adopted;
- whether the organizational culture is conducive to the delivery of excellence in policy services and products; and
- the type of changes that may be required to the guidelines on quality, the assurance procedures, or other corrective steps.

An evaluation should be conducted by impartial individuals who have the competence to evaluate the effectiveness of the guidelines on quality and the assurance procedures.

The results from evaluations should be communicated with all those within an organization who are involved in policy development.

C. Follow-Up

A plan of action should be developed on a timely basis to address the concerns raised in the evaluation. Corrective action may include clarifying or modifying existing guidelines on quality and assurance procedures as well as changes to foster an organizational culture that is more conducive to producing excellence in policy services and products.

D. Future Evaluations

Future evaluations should not only include all the elements identified under **Subsection 3.6.2-B**, but as well they should determine the impact of whatever changes were put in place to address concerns identified in previous evaluations. Thus a cycle of regular evaluations, followed by corrective action should be built into the quality assurance framework to provide feedback that is necessary for continuous improvement.

E. Performance Measurement

An organization should establish performance measures that relate to the aims of its guidelines on quality (see **Subsections 3.3.1, 3.4.1, 3.5.1,** and **3.6.1**). These measures are distinct from measures that relate to the performance of a policy once it is put in place. Information gathered through performance measurement that relates to policy services and products should be analyzed as part of the on-going feedback process and the comprehensive evaluations.

3.6.3 Assurance Procedures

Assurance procedures for the guidelines pertaining to continuous improvement can include the following procedures and/or others as deemed necessary.

A. Conducting On-going Feedback

A department may opt to implement its on-going feedback through a brief questionnaire to be completed by appropriate policy users. For instance, if most of the policy issues that a department deals with involve working with the Policy Secretariat or Treasury Board Secretariat then a questionnaire should be sent to them for completion.

To facilitate the feedback process the questionnaire may contain a set of questions with multiple choice answers and limit the number of open ended questions to one or two. The idea being to obtain a high level perspective on whether policy services and products are meeting the needs of policy users.

B. Conducting Evaluations

In selecting who will undertake an evaluation a department may opt to do so through a peer review process. This would mean that a department would request another department's management and/or policy analysts to conduct the evaluation. A reciprocal arrangement may be agreed to between departments (i.e., two departments agree to undertake each other's evaluation).

An evaluation should be conducted through a combination of interviews, a review of documentation in the files and a review of a sample of policy products. Those interviewed should include policy users and policy analysts.

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